This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 001393

SIPDIS

DEPARTMENT PLEASE PASS TO USTR: ESAUMS

E.O. 12958: DECL: 04/04/2016

TAGS: ECON ETRD EAGR IS ECONOMY AND FINANCE SUBJECT: GOI PUSHES FOR RESUMPTION OF POULTRY EXPORTS TO THE US; CLAIMS READY TO RESUME IMPORTS OF U.S. BEEF

Classified By: Ambassador Richard H. Jones for reasons 1.4 (b) and (d)

- 11. (U) This message contains an action request: Please see paragraph eight.
- (C) Summary: In a meeting with the Ambassador on April 4 the Directors General of the Ministry of Industry, Trade, and Labor and the Ministry of Agriculture requested the expeditious resumption of poultry exports to the U.S. The GOI voluntarily suspended exports on January 18, 2006, after seven of ten plants were found deficient during a USDA FSIS (Food Safety and Inspection Service) audit of Israeli poultry plants. The Ministry of Agriculture representatives said that they have undertaken, with the assistance of a U.S. consulting firm, all the recommended technical fixes required to update regulations, and corrected deficiencies at the individual processing plants and slaughterhouses. At no point during the meeting did the GOI disagree with the findings of the initial USDA FSIS audit. Senior Deputy Director General at the Ministry of Agriculture, Zvi Alon requested that the USG conduct a new audit immediately upon GOI notification of compliance, and forgo the thirty-day period usually required after implementation before an audit is carried out. In response to the Ambassador's question, MinAg's chief veterinarian said imports of U.S. beef could resume sometime this spring/summer. Post urges a rapid U.S. response once Israel has made the necessary changes - doing so will position us to press for resumption of imports of U.S. beef here. End summary.
- 13. (SBU) The meeting was attended by the Ministry of Agriculture's Director General Mr. Joseph Ishay, Senior Deputy Director General for Foreign Trade Mr. Zvi Alon, Director of Veterinary Services and Animal Health Dr. Moshe Chaimovitz, and Dr. Mordechai Cohen who has recently returned from his term as Agriculture Minister Counselor in the United States. The Ministry of Industry, Trade, and Labor staff who attended the meeting were Director General Mr. Raa'nan Dinur, Director of the Foreign Trade Administration Mr. Boaz Hirsch, and Director of International Agreements Mr. Yair Shiran.

AUDIT AND CORRECTIONS

 $\underline{\P}4$. (C) Ishay opened the meeting by saying that the GOI was pleased that Secretary of Agriculture Johanns had met with Israeli Ambassador Ayalon in Washington, and that the talks were productive. Ishay said that after the USDA FSIS audit, he commissioned a panel to investigate what happened, and how the GOI could correct the problem. He added that national regulations for poultry production facilities had been updated and the recently departed team of American consultants conducted training at the plants and slaughterhouses to ensure that all conform with the most

recent U.S. regulations. $\P5$. (C) Zvi Alon requested that the U.S. send a new audit team to Israel immediately upon receiving official word that the GOI has complied with the first team's recommendations. Mordechai Cohen, who recently returned from his position in

the U.S. as AgMinCouns, expressed a more nuanced view that he understood the U.S. will send an audit team, "as soon as possible after we (the GOI) notifies the USG that we are in compliance." Dr. Chaimovitz told the Ambassador that the final GOI compliance report should be ready within ten days.

IMPACT ON TRADE

16. (C) The Ambassador asked if the GOI's announcement of a voluntary suspension on poultry exports to the U.S. has impacted Israel's trade with Europe or other trade partners. MOITAL's Yair Shiran said that this had been the GOI's fear, but that the suspension has not noticeably impacted Israel's poultry exports to Europe. The Ambassador emphasized that the U.S. audit report was not shared outside the USG. GOI team emphasized that they are concerned about the ban on poultry exports to the U.S. because the products are produced in (economically) "vulnerable" areas in the north of Israel. BSE

17. (C) The Ambassador asked for an update on the status of removing the BSE ban on U.S. beef that has been in place in Israel since December 2003. Chaimovitz expressed satisfaction at the U.S. programs in place to deal with the threat of BSE to the beef supply and said that he believes after the OIE (World Organization for Animal Health) meeting in May in Paris the GOI will be able to resume imports of U.S. beef. The Ambassador expressed his hope that both Israeli exports of chicken and U.S. exports of beef would fully resume by this June or July.

Action Request

<u>¶</u>8. (C) Post urges USDA to respond to the Israeli desire for a rapid resumption of poultry exports by sending USDA FSIS auditors to visit Israel as soon as possible under U.S. law/regulations after receiving word Israel has made the necessary changes to internal phytosanitary controls, and corrected problems at their processing facilities and slaughterhouses. Israel expects to make this notification during the week of April 16, 2006.

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JONES